

**Evergreen Fire District
Board of Trustees
Meeting
Meeting Minutes
Regular Board Meeting of July 12th, 2021 – 6:00 pm**

CALL MEETING TO ORDER:

Board Chair Fallon calls meeting to order at 6:19 pm.

TRUSTEES IN ATTENDANCE:

Fallon (*introduces 2 newly appointed Trustees; Bruce Gipe and Carol Fontaine*)

Bruce Gipe Tony Brockman

Carol Fontaine Marc Connolly

RECOGNIZE PUBLIC IN ATTENDANCE:

(none)

EFD PERSONNEL IN ATTENDANCE:

Chief Williams Fire Marshall Covington

PUBLIC COMMENT:

At this time, public may comment on any public matter that is not on the Agenda of the Meeting and that is within the jurisdiction of the District.

(none)

FINANCIALS:

Discuss and approve April and May 2021 Financials (Action)

Fallon explains the financials to the new trustees and states there are 2 steps involved. The reconciliations are accepted and the checks written are what is approved each board meeting. He explains some are warrants and some are checks and that there are 4 county accounts; 7204, 7207. Brockman asks what the hydrant fund is (7207). Fallon states it was set up when the water district was created in 1967 to help fund the hydrants in Evergreen because the government program didn't allow funding of hydrants for water distribution systems at the time. A 30 year discretionary assessment was made of \$13,000 per year that was designed to help pay back that portion of the loan which was done in 1997. The payments went to the fire district and then forwarded to the water district until 10 to 12 years ago when the water district decided they didn't need the money and turned it back to the fire district for use of hydrant pressure and flow tests and maintenance. Chief Williams adds that the district hires people separate from the department to maintain them. (*Fallon asks for introductions for the new trustees.*) Fallon states that 7204 is the general account and holds the majority of the funds. 7207 receives \$13,000 and any balance left gets transferred to 7250 (CIP) Fund. The voted mil levy from 2 years ago has 12 mills which go into CIP (\$220,000); 7288 is debt service fund. Fallon states that the 4 accounts are county accounts but funds are held at Glacier Bank. He states 9428 is the original ambulance account which all EMS related expenditures were taken and is held at Glacier Bank which provides flexibility that isn't available through the County. The District decided to redirect all revenue into one account after the levy was passed; 7204 with expenses still being kept separate in accounting. 9428 maintains a minimal balance of \$25,000 to \$30,000. He states 4212 is the department account which is designed to cover Christmas and Fourth of July parties, food on extended fires, food for training sessions. He states the Benevolent Fund (Whitefish Credit Union) is used for personnel hardship cases in which Chief Williams will typically select two others (a trustee and one other) along with himself to assess the request. He states the funds in the

account come from donations to the District of \$100 or more and from wildland fire revenue; 4212 also receives wildland fire revenue. Fallon states another account that was set up about a year ago was Fund 9518-HRA account which was part of the levy that was passed and entitles each qualifying personnel \$500 to go towards a health plan or into an HRA. Fallon states there is an approximate \$7900 credit from TrustMark from the 2020 calendar year for participating personnel. He tells the new trustees that while it may seem odd to approve a budget after the fiscal year has started, the budget will be approved at the next board meeting in August due to the County needing the information by mid-August to assess the property tax rolls. Fallon states that JCCS is the District's auditor and that the District is in the process of being audited for a year ago June 30th and then will start the audit that for the fiscal year that ended 2 weeks ago. He states audits have been delayed in Montana due to Covid with penalties and fines being waived by the Dept. of Admin. Trustee Fontaine asks if all accounts are audited and Fallon confirms they are all audited. Fallon states that he emailed the auditor, Sam, and asked how to address uncleared checks and proposed canceling and voiding any checks older than fiscal year 2019. He is currently waiting for to hear back. Trustee Fontaine states that Glacier Bank would have a policy as well that they would not clear stale-dated checks. Fallon states a motion identifying authorized signers which requires signature forms from Glacier Bank will need to pass this meeting. He states every other Tuesday payroll checks need to be signed as well as bill pay checks between that every other Tuesday. Fallon states trustees can have a signatory stamp made although he doesn't have one and prefers to sign in person. Fallon states he has not asked JCCS if signatory stamps are acceptable. Trustee Fontaine says that she has past practice as an auditor and signatory stamps are acceptable. She states the only issue is who has access to the stamps. Fallon states the only person that has access to the stamps is Cheri. The stamps are kept under lock and key. Trustee Fontaine asks if Cheri and all signers bonded. Fallon states Trustees are covered under errors and omissions in District insurance. Covington states that the District uses an accountant for bookkeeping. Connolly states there would probably be bonding through 'employee dishonesty' inside the liability policy. Fallon states he will get a copy of the errors and omissions from Grachek Insurance and have it available for all trustees.

Motion; Brockman to accept the financial statement and approve the checks of April and May 2021; second by Connolly; passes (4 – 0; 1 abstention)

Motion; Connolly to authorize signatures on all district accounts held at Flathead County, Glacier Bank and Whitefish Credit Union as follows; Fire Chief Williams, Board Chair Fallon, Trustees Fontaine, Gipe, Brockman and Connolly (legal names) and remove former Chairman Brodie Verworn and Trustee Randal DePaul; Second by Brockman; passes (5-0).

PAST ITEMS/UPDATES:

1. Approve meeting minutes of May and June 2021 (Action)

Motion; Connolly to accept the meeting minutes of May and June 2021; second by Brockman; passes (4-0; 1 abstention)

2. Uncleared Checks Policy (Action)

(tabled until Fallon receives a response from JCCS)

3. Employee Manual Discussion (Action)

Chief Williams states he is waiting on trustees approval of the copy he sent out. He reminds trustees that once approved it cannot take effect for another 30 days. Connolly states he wants to see a clean copy after all errors were found and revised. He would like all trustees to have it prior to the August meeting. Chief Williams asks if trustees would prefer the clean copy emailed to them or uploaded to Google Drive. Trustees ask to have it emailed. Trustee Gipe asks if this is a 'tune up' to existing policy. Chief Williams states the current handbook was written 10 years ago and much of the language pertained to volunteer status. Fallon points out that Chief William's son Cole Williams is also employed with the District. Chief Williams states that with the way the paragraph reads, there is not a conflict of interest there. Trustee Fontaine asks if 'romantic

relationship' is described. Chief Williams states that these points does not exist in the current handbook and the attorney found it best to allow Chief Williams to force an employee to declare a relationship so that there will never be an instance of a romantic partner being in a direct supervisory position. He states another option is that the two personnel would not be on the same shift. He states that he has never been in a position of being a direct supervisor to his son as there are several layers to the Chain of Command. He states he does not participate in any disciplinary actions, reviews or evaluations of his son. Those are all handled by his superior officers. It is suggested that the handbook be revised to state that the District will follow the recognized holidays of the Montana Department of Administration (as well as being defined in the handbook).

(Tabled until August and will be added again as an action item. Chief Williams will email a final copy to all trustees)

4. FY 2020 Audit Update

Fallon states JCCS is expected to finished the audit within the next 30 days.

5. Budget Discussion

Fallon states the increase in revenue from 2019 to 2020 was approximately 11%; increase of revenue 2020 to 2021 is 33%. Trustee Gipe asks if the increase is due to Covid and Chief Williams states it is not. He states the increase is due to 'explosive population growth' in the Valley and describes current call volume as 'off the charts'. Covington states there was an actual drop in call volume when Covid first arrived in the Valley. Trustee Fontaine asks if the calls are based on the District's geographic area and Covington confirms it is. She states she saw EFD apparatus heading North on Hwy 2 not long ago. Chief Williams states the District has mutual aid agreements with its partners and that EFR provides a primary EMS transport service for the entire western portion of Creston; entire eastern side of West Valley Fire District; as well as being up into the City of Kalispell several times per day. *(Trustee Connolly exits the meeting @ 7:34 pm.)* Trustee Fontaine asks if they pay for the assistance. Chief Williams tells her EFD receives ambulance revenue only when a patient is transported with the exception of there being a full code. He states there may be a bill sent at times (not always) on a full code because it requires a lot of drugs and other interventions. Fontaine asks if the County does the billing and Chief Williams states the District has a billing service. Covington states the District did hire someone from Missoula previously. Fallon states that the current billing company performs better and at a lower cost. Chief Williams states that the current billing company collects higher than the national average. Trustee Gipe asks if the calls are centered through KRMC. Chief Williams states all calls come through the 911 Center located on Timber Wolf Parkway by Glacier High School. Chief Williams states that Alert does have their own dispatch out of the hospital. Fontaine states EFR covers a 'tremendous area' and Fallon states it is a 22 square mile area. Gipe asks what the average collection rate is per run. Chief Williams states that last he checked it was 43%. Fontaine asks if the District bills insurances and is told that Pintler handles all billing including all insurances. Gipe asks if the 57% no pays are the unemployed and uninsured and that is confirmed. Fallon states the average household income in the District is approximately \$30,000 to \$34,000 per year vs. the County average household income of \$51,000. Chief Williams states that EMS revenue primarily comes from the inter-facility transports. He states the District does have a contractual agreement with KRMC for IFT's and that EFR is going to Cut Bank frequently. He states the District also has a contract with the County Sheriff office and transport patients who need to go to Warm Springs. Fontaine states that EFR is earning the extra revenue based on reputation and states "Kudos and hat's off to you guys." Fallon states there is a current existing dilemma with the prior Evergreen Fire District's Board Chairman, Brodie Verworn, who resigned on April 1st. Fallon states there is a conflict of interest because he has started his own private ambulance service in February; prior to his resignation which goes against state law. State law dictates that Verworn is not supposed to be in competition (with EFR) within 12 months of resigning from an elected position. Action against Verworn would have to be

brought by the County Attorney and the District has not spoken with the County Attorney at this point. Chief Williams states Verworn is now in direct competition with EFR based on information he received as the Board Chair; financials, contractual negotiations and etc. Fallon states the expenses for EMS have increased by 15% from the prior year. He states Covid expenses have been tracked but the District has not received reimbursement. He states insurance has gone up (property/casualty/liability). Fallon states that \$70,000 was for the purchase of a new ambulance which was capitalized and taken out of the operating budget. Professional fees include a new auditing schedule and attorney fees; primarily for the new handbook. Fontaine asks if these are outside attorneys and Fallon confirms. He continues by stating there are a lot of vehicle repairs but varies from one year to the next and that most of the ambulances are bought 'lightly used' with the exception of one that was purchased new 2 years ago with a DOT grant. Fontaine asks if there is a need for more ambulances. Chief Williams states that the District bought the 4th ambulance specifically as a 'backup' for any of the 3. He states that currently EFR doesn't have the staffing for 4 ambulances. Fallon states that operationally, EFR has 4 people on shift 24/7 and the District is never without coverage. Fontaine brings up 'relief money' and Fallon states fire districts are not part of the allocated funds so EFD is not eligible. Fontaine asks what the 'transfers in' and 'transfers out' are. Fallon states funds are still going into 9428 and are transferred out to 7204. *(Fallon goes over the proposed budget vs. last year and then the actuals from this year)*. While mentioning property taxes, Fallon states that Station 81 is 2 parcels of land and although the north station (Station 82) is primarily used for storage, the District has held onto it because ISO recognizes it as a fire station and gives the District a lower rating for rural areas because of it. Fallon moves on to the training budget and Fontaine asks Chief Williams if training is done primarily through the station or if people are sent out for training. Chief Williams states it is a combination of both. Fontaine asks if the live burns are part of training and if the department will use homes or other structures offered for live burn trainings. Chief Williams states most is done onsite with the departments live burn props but that under the right conditions he will accept the offer of using a private home or structure for a live burn training opportunity. Fallon points out the addition of 'health and wellness' and explains that the District passed a motion to 'set aside' \$30,000 out of the wildland revenue specifically for the mental health and wellness for personnel. Counseling is 100% paid for and does not go to insurance companies and does not show up on any personnel records that could at some point jeopardize employment. The program has complete anonymity; administration does not know who the participants are. Chief Williams states that the fire/EMS service is one of only a few professions where an individual can be discriminated against when seeking employment. He states complete anonymity helps reassure personnel that they are safe to seek help when needed. It is counseling only and no medications are prescribed. Fontaine raises the question "How do you know you aren't being billed for some phantom person?" Chief Williams states he would rather have to answer to that or explain it rather than have personnel not utilize the program out of fear for seeking needed help. Brockman states that it currently seems to be working out the way it has been set up. Chief Williams states that due to Covid, the counselor was not able to come in and give a presentation but is hoping to have that happen now that the station is open. Fontaine asks what happens if money starts disappearing quickly and Chief Williams states it is addressed in the agreement and the counselor can divulge that information if needed to. Fontaine asks if he has a list of EFD personnel and Chief Williams confirms that he does have a list. Gipe asks what the counselor is paid per visit. Chief Williams states that it is based on 'per visit' and the counselor is to call if an individual exceeds 6 visits. He states it is prorated at 50% of what his regular fees are and charges the District \$80 per hour. Fallon acknowledges a new entry for 'wildland' which is funds to prepare all wildland equipment and apparatus for the wildland season. It was not budgeted for in prior years. Fontaine asks if the supplies budget is going to be increased. Fallon states that he, Chief Williams and Covington will have to go over the line items to straighten out repairs, maintenance, and supplies in QuickBooks. Fallon moves on to 'personnel' on the

spreadsheet. He states 1.87 mil is what was actually spent; 1.56 was budgeted; 2.0 is what's proposed for the next year. Gipe asks how many FTE's are employed and Chief Williams answers 21. Chief Williams states IFT personnel are paid on mileage only (non-hourly) and paid on loaded transport miles. Fallon adds there are 2 levels of IFT personnel; In County (hourly) and Out of County (mileage and per diem). Chief Williams states there are 4 personnel who are hourly and the others are paid per loaded mile. Gipe states he doesn't know how to convert miles to hours. Fallon states they would come up with the FTE equivalent. Fontaine asks if the District has access to state retirement or if the district has its own. Chief Williams states the District does not have access to FURS (standard 20 year retirement for firefighters) or PERS. The District currently offers a 3% retirement match on a SIMPLE IRA. Fallon brings Fontaine and Gipe up to date on the history of the 2 proposed levies since 2018. He campaigned against the 1st levy for being too high. He states he got a community advisory group together and ended up with a proposal for 56% of the initial levy and it passed and that is what is currently in effect for the District. Fontaine asks if retirement is coming out of the mill levy and Fallon confirms it is. He states in 10 years it will need to be renewed. When speaking again of the revenue aspect of the budget Fallon states that as a board with governmental entities, the trustees job is to approve a revenue budget; not an expenditure budget. He states the District is a hybrid because of EMS services which is an enterprise aspect due to being fee oriented. He continues with revenue and states actuals for ambulance billing is 1.2 million and had budgeted 1 million putting the District \$225,000 ahead. He states the District is forecasting 1.3 million due to increased call volume (10% increase) and is expected to continue to trend upwards. Fontaine asks if Verworn's potential competition is being ignored. Chief Williams states the District is not aware of what Verworn's plan is currently but has doubts it will involve 911. He has 3 ambulances and no contracts. He states there are currently so many requests for IFT's that EFR cannot take them all and Verworn may wind up taking excess transports. Fallon continues with the spreadsheet and points out the countywide mill levy and states the District get a portion of it and is expected to be approximately \$70,000. It's distributed to the District in 2 installments; July and January. Fallon states the District is currently trying to figure out how to increase pay for personnel. Chief Williams states the department is losing talented people due to competition with other service providers who are offering higher wages and/or better benefits. Some of the people lost to other departments have been with the District for 10 to 12 years and were officer level personnel. He stresses the need to come up with ideas for both recruitment and retention of personnel. He states he has never been in the situation until now of having open positions that he cannot fill; 2 of those positions being advertised nationally. He states the department has lost 7 personnel in the past year and a half and lost 3 full time personnel within the past 2 weeks. Chief Williams states he is aware the District will never be able to pay wages that would allow an employee to purchase a home in the Valley currently but his focus is on retention because of the investment into individual with training, gear, and etc. Fontaine asks if the lure away from the District for those employees lost is due to a higher base wage elsewhere or better benefits. Chief Williams states it is a combination of both. The older employees realize they don't want to be doing this job at 60 years old and so they are looking at retirement and the younger employees are wanting higher wages. He states there is a reason that firemen have a 20 year retirement (FURS) which is not offered to any other career field. When another department is offering FURS (City of Kalispell, GPIA, Big Mountain, Whitefish); that's where they are going to apply. He acknowledges that without being able to offer FURS or PERS, the District will have to focus on a higher wage. Fallon states the District could offer a 457 Plan which is equivalent to a government 401K with higher contribution rates by both employee and employer but requires a 3rd party administrator and cost anywhere from \$2000 to \$4000 per year. Fontaine asks if personnel could be given the option of higher wage or higher retirement contribution based on what is personally important to the employee. Covington states that a 457 Plan requires full participation. Fallon states personnel could refuse to participate. Fallon states that part of the lure is (for example) GPIA and

Big Fork has few calls and less extensive reporting requirements as well as fewer reporting requirements or even fewer reports to complete. Chief Williams clarifies by stating "Less call volume but higher pay and better benefits." Fontaine states "That's a no-brainer." Fallon states that the budget to be approved next month does include an increase across the board for all employees as well as the potential performance increase. Fontaine asks how that now compares to competitors. Chief Williams states it's more competitive. He states the base rate for a paramedic would be competitive at \$20 to \$21 an hour. Fallon shows a \$2 and \$3 increase on the spreadsheet. Covington states they were trying to work with a \$2 increase across the board with personnel then earning up to an additional dollar for performance merit. Fontaine asks if it still works within the budget if given that extra dollar increase. Fallon states if the full extra dollar (rather than a fraction of it as Covington suggested in the performance increase) the District would have enough money for July, August, and September; leaving out October and part of November. Covington and Chief Williams remind Fallon that the increased pager pay could be taken lower. It was increased from \$3 to \$5 per hour. Fallon states that it brings it down from \$190,000 to \$137,000 which covers half of October. Chief Williams states he would be comfortable with a \$1 raise for everyone across the board. Brockman asks what the rationale is by lowering the pager pay by \$2. Covington states personnel would still be willing to do it because their money is made on the mileage and not the pager pay. Fallon states the pager pay is a small incentive for a huge payout. Chief Williams states those personnel are averaging between \$.31 and \$.75 per mile. Fallon states for EMS revenue he started with 1.32 million and then changed it to 1.42 million (adding \$100,000) and reduced the pager pay from \$5 to \$3 with an approximate \$.50 merit increase and brings the budget within \$5,000 of the maximum reserve needed for July, September, October and part of November. Fallon states that means that going up to 1.4 million means that the district expects EMS revenue to increase by 11.9% from actual to current year vs. the 33% vs. the 10 or 11% the prior years and meaning it would not be out of line with the long term changes. Gipe asks if the billing company bills for multiple fire departments. Chief Williams states the company is prevalent in the State of Montana. Gipe asks if the company produces good reports. Chief Williams states not when it comes to customizable reports but states the District will be receiving better data from them. Gipe states the 57% not collected on is pretty high. Fallon states that when he looked at the numbers a few years back the uncollected percentage was around 40% and should be reviewed if it is now at 57%. Chief Williams states Pintler's contract states they have 60 days to attempt to collect on bad debt. After that it goes to a second party collection (line item for Centron). Centron has not been able to collect past Pintler's 60 days either. Gipe asks if the prices are set. Chief Williams states if transport rates are raised it is affecting a small percentage of people who have insurance but is not affecting Medicaid or Medicare. Fallon states for every dollar rates are raised it only increases collection by \$.20 on the dollar. Fontaine asks if the percentage of Medicare and Medicaid is known. Chief Williams states less than 8% of the transports have primary health care insurance. The District demographic is primarily Medicaid and Medicare. Chief Williams states this is the first time he has ever proposed a radical increase across the board for all personnel. He states he is not a fan of unions because everyone gets the same wage; under achiever gets same wage as the high achiever. He states he firmly believes in performance based raises and wanted to find a way to increase wages for everyone and still maintain the performance based bump. Gipe asks if there is a spreadsheet that compares Whitefish to Kalispell to EFD on all categories including productivity and work and expectation and etc. Fallon states the information can be gotten more easily from Kalispell and Whitefish but not easily available from Big Fork or Big Mountain even though they are public entities. They don't disclose the information. Fallon states 3Rivers out of Columbia Falls is a private, non-profit and can't get any information even though they do receive part of the County levy. Fontaine asks if the County can ask for it and Fallon states that no one is willing to disclose what kind of agreement the County has with 3 Rivers.

1. Fire Trustees Association Discussion (Action)

Fallon states there's a \$500 fee to join as a District which EFD has not done. He states that individuals can also join for maybe \$100. He states there really isn't a great benefit to participate.
(tabled until August)

2. TrustMark Reserves Discussion (Action)

Fallon states it's the \$7900.00 that the Board need to figure out how to distribute fairly to the people who were plan participants.
(tabled until August)

3. Personnel & Staffing, Regular shifts & IFT shifts

(tabled until August)

PROPOSALS: (none)

RESOLUTIONS: (none)

CHIEF'S REPORT:

1. April and May 2021 Call Volume

A) Comparison Incident Count by Weekday/Hour (all zones) for April and May 2021

B) Comparison Incident Statistics for April and May 2021

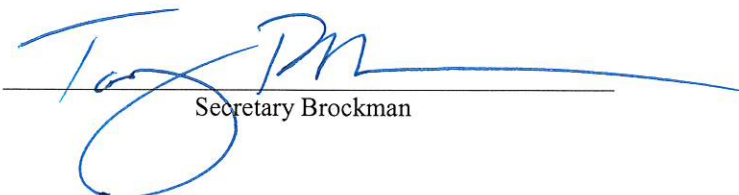
Chief Williams starts with April call volume. He states April of last year saw 175 calls vs. 251 calls this year. There were 29 fire responses in April 2020 vs. 60 in April of this year. Year to date shows 882 calls in April 2020 vs. 1,004 calls this year. IFT's (contractual, non 911 responses) for April of last year was 84 vs. 140 in April this year. Total IFT last year was 427 vs. 558 this year. Chief Williams states the District's call volume into Creston has increased substantially and that EFR subsidizes the City of Kalispell. He adds that every year over the past 10 years there has been at least a 10% increase.

Adjourn @9:08 pm

The President of the Board of Trustees, as presiding officer of any meeting of the Board of Trustees, may close the meeting during the time the discussion relates to a matter of individual privacy; and, then, if, and only if, the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure. The right of individual privacy may be waived by the individual about whom the discussion pertains; and, in that event, the meeting must be open.



Chair Fallon or Vice Chair Connolly



Secretary Brockman